

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF NORMAN) APPEAL NO. 07-A-2439
SIMPSON from the decision of the Board of) FINAL DECISION
Equalization of Owyhee County for tax year 2007.) AND ORDER
)

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing December 20, 2007, in Murphy, Idaho before Hearing Officer Steven L. Wallace. Board Member Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant Norman Simpson appeared. Assessor Brett Endicott and Appraiser Ted Sherburn appeared for Respondent Owyhee County. This appeal is taken from a decision of the Owyhee County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RP007500030070A.

The issue on appeal is the market value of residential property.

The decision of the Owyhee County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$85,000 and the improvements value is \$78,728, totaling \$163,728. Appellant requests the total value be reduced to \$130,000.

The subject property consists of five acres with a manufactured home located in a subdivision outside Murphy Idaho.

Appellant testified at hearing to have purchased subject in 1999 for \$89,000. It included the five acres and manufactured home with 1,560 square feet. Appellant was concerned the assessed value had increased significantly this year, but not in prior years.

Appellant provided documentation regarding several sales that had occurred in subject area as well as within subject subdivision. The sales took place between 2005 and late 2006. The sales included five acre parcels with improvements which ranged in approximate square

footage between 1,520 and 2,098. Sale prices ranged from \$115,000 to \$173,000. The Summary Report included in Appellant's exhibit, included the days on the market and the original listing prices. Appellant provided the Multiple Listing Service (MLS) listing pages for three of the sold properties, located near subject.

Respondent presented a packet of information. The exhibit contained information on statutory authority Respondent is required to comply with in valuing properties at market value. The packet also included information on how comparable properties were compared, how sale prices were adjusted to reflect the value if sold on January 1 2007, how sales information was acquired by the Assessor and the purpose of State conducted ratio studies.

Respondent noted the assessment level of some property categories was not acceptable so assessed values had to be increased. The Assessor testified there were few sales in many areas of the County in previous years, however the increased sales activity over the past two years indicated assessed values had to be increased. As a result many values increased substantially. The assessor did explain that not every area of the County experienced the same percentage of increase in assessed value. The increase was dependant on the sales information received and the area of the sales.

Respondent presented evidence of a sale within White Horse Subdivision, which is a subdivision adjacent to the Appellant's subdivision. Respondent indicated that White Horse was a mirror Subdivision of Appellant's subdivision. Similarities included a gravel road, underground power and telephone, similarly required septic systems. Dissimilarities were that one subdivision had community water and the other required lot owners to provide their own well water. Appellant disagreed that White Horse Subdivision was a mirror subdivision.

Respondent described time adjusted lot sales from the White Horse Subdivision were

compared to subject subdivision to determine five acre lot values of \$85,000.

Respondent then reviewed the documents provided which described similar properties sold within White Horse Subdivision as well as properties located a further distance from the subject. Several improved and unimproved sales were submitted by the Assessor and the indicated price per acre of the land was determined through further analysis of the sales.

Respondent noted three of Appellants sales took place in 2005, and were too dated to be considered for the current assessment year. The other two 2006 sales were time adjusted from the date of sale to January 1, 2007 and the Assessor maintained the adjusted sale prices would increase to \$200,744 and \$234,150, which supported the subject assessed value.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Appellant's case is an appeal of the market value assessment of improved residential property. Appellant's understandable concern and focus appears to be on the sharp increase in assessed value in one year. Appellant provided several sales of improved residential properties that dated over several years.

Respondent presented statutory requirements for market value and sales occurring within a narrower time frame. While Respondent's presentation on the method of arriving at the time adjustment was not clear, what is clear is that all comparable sales need to be time-adjusted to reflect the time period of January 1 2007.

There is no doubt the best evidence of lot values for five acre parcels of land is concluded

from the White Horse subdivision sales once these have been time adjusted.

“The value of property for purposes of taxation as determined by the assessor is presumed to be correct; and the burden of proof is upon the taxpayer to show by [a preponderance of the] evidence that he is entitled to the relief claimed.” Board of County Comm’rs of Ada County v. Sears, Roebuck & Co., 74 Idaho 39, 46-47, 256 P.2d 526, 530 (1953).

Both parties should be complimented on their presentation and research. Appellant has presented good evidence of selling prices for similarly situated properties. However the evidence lacked adjustments for time of sale and for any differences from the subject property. Maps and photographs of the comparable properties and their locations would have been helpful in establishing differences between the properties. There appeared to be no clear price pattern in Appellant’s materials and data.

Respondent’s evidence supported the assessed value of subject. The comparable properties were similar, close to the subject property and time adjusted to reflect a value on January 1 2007. Additionally, the bare land lot sales from the White Horse Subdivision are the most similar to subject lots. Respondent’s time adjustments to the White Horse lot sales support the \$85,000 assessed value of the lot.

In this case, the Appellant has failed to meet his burden to show by a preponderance of the evidence that a reduction in the assessed value is warranted.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Owyhee County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED April 30, 2008